

BOARD OF SUPERVISORS
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COUNTY OF LOS ANGELES

DEPARTMENT OF CONSUMER

AND BUSINESS AFFAIRS



Joseph M. Nicchitta Director

> Joel Ayala Chief Deputy

Rafael Carbajal Chief Deputy

"To Enrich Lives Through Effective and Caring Service"

Hearing Officer/Department of Consumer & Business Affairs

Hearing Date 11/07/2019 Agenda Item No.

Tra	nsmittal	Checklist
Petitioner Name: Case Number: Case(s): DCBA Staff:		Kym Wilson RSQ19-10995 IRSO Petition for Noncompliance Shannon Louis
\boxtimes	Petition Summ	nary
\boxtimes	Parcel Profile Report (separate attachment)	
\boxtimes	Staff Report	
\boxtimes	Burden of Proof Statement(s)	
	Rent Receipt(s) (separate attachment)	

Reviewed By:	Dana Pratt	
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Case Number RSQ19-10995

Hearing Date 11/7/2019

PETITION SUMMARY

PETITIONER NAME

Kym Wilson

PETITION DATE

September 6, 2019

PETITION OVERVIEW

Petitioner has filed a Petition for Noncompliance, requesting a reduction in rent in accordance with the Interim Rent Stabilization Ordinance, Ordinance Number 2018-0045. The Petitioners' rent increase became effective on January 1, 2019.

PROPERTY ADDRESS

2615 N. Lake #5 Avenue Altadena, CA 91001

KEY ISSUES

- Rent was increased from \$1,755.00 to \$1,995.00, effective January 1, 2019
- Total increase is in the amount of 13.68%
- Per the effective date of the rent increase, the January through November 2019 rent payments (11 months) will be due by the hearing date.

STAFF RECOMMENDATION

Approval

DCBA STAFF: Shannon Louis 213-974-4118 SLouis@dcba.lacounty.gov



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October 28, 2019

TO: Gina Natoli, AICP

Hearing Officer

FROM: Shannon Louis

Case No. RSQ19-10995

Kym Wilson vs. Ellie H. Anderson Jr.

Hearing Officer Meeting: November 7, 2019 – Agenda Item: 2

Petition Description

Interim Rent Stabilization Ordinance(IRSO) Petition for Noncompliance

Tenant Petitioner (Petitioner) is disputing a rent increase issued for the covered rental unit located at 2615 N. Lake Avenue Unit #5, Altadena, CA 91001.

The Petitioner reported receiving a Notice of Rent Increase dated November 12, 2018 increasing the rent to \$1,995.00 – effective January 1, 2019. Per California Civil Code Section 827, the rent increase should have actually become effective on January 11, 2019 – which is 60 days from the date of issue, due to the rent increase being over 10%. The Petitioner's base rent on September 11, 2018 was \$1,755.00 – which constitutes a \$240.00 (or 13.68%) rent increase. The Petition for Noncompliance was filed with the Department of Consumer & Business Affairs (DCBA) on September 6, 2019.

Use Type

Multi-Family Residential; 0500

Year Built/Certificate of Occupancy (COO) 1963

Previous Petitions/History

The Petitioner filed a Petition for Noncompliance (RSQ19-08613) with DCBA on July 23, 2019. Case RSQ19-08613 was rejected because a Proof of Service was not returned to DCBA within 10 days of filing the petition, as required by the IRSO.

Staff Evaluation & Burden of Proof

DCBA has determined that the rental unit located at 2615 N. Lake Avenue Unit #5, Altadena, CA 91001 is covered under the Los Angeles County Interim Rent Stabilization

Ordinance (Ordinance No. 2018-0045) and is subject to its conditions.

The IRSO covers residential dwellings on properties with two or more units in the unincorporated areas of Los Angeles County with initial certificates of occupancy or equivalent issued on or before February 1, 1995. **Ordinance No. 2018-0045 Section 1(A) and Section 1(B).**

The IRSO limits rent increases to 3% once per 12-month period and applies to any rent increase taking effect on or after September 11, 2018. **Ordinance No. 2018-0045 Section 3(A).**

The IRSO regulates Housing Service Adjustments and indicates that a decrease in Housing Services can be considered an increase in Rent. Rent and Housing Services are defined in Section 2 of the IRSO. **Ordinance No. 2018-0045 Section 3(C).**

The rent increase in the amount of \$240.00 increased the Petitioner's rent from \$1,755.00 to \$1,995.00 (13.68%). According to the ordinance, the tenant's maximum allowable rent should be \$1,807.65. If approved, and if the tenant has paid the requested increase, the landlord will need to credit the tenant for any overpayments above 3% that have occurred since the rent increase took effect – which totals \$1,692.15 for the months of January through November 2019. This figure was calculated based on the reported rent payments shown below. In January 2019, the tenant paid \$1,980.00 for rent, which was less than the requested amount, as a result of having a rental credit. Any deviations in rent from the requested rent from February 1, 2019 through August 1, 2019 are as a result of the tenant overpaying the landlord in further excess of the allowable limit and not being credited for the overpayments. Additionally, the tenant stopped paying the requested rent of \$1,995.00 in August 2019 and began paying the base rent plus the allowable limit (currently 3%) in September 2019. **Ordinance No. 2018-0045 Section 3(A)(1).**

2018-2019 Rent Payments				
Month	Rent Amount Paid	Overpayment		
September 1, 2018	\$1,755.00	\$0.00		
October 1, 2018	\$1,755.00	\$0.00		
November 1, 2018	\$1,755.00	\$0.00		
December 1, 2018	\$1,755.00	\$0.00		
January 1, 2019	\$1,980.00	\$172.35		
February 1, 2019	\$1,995.00	\$187.35		
March 1, 2019	\$1,995.00	\$187.35		
April 1, 2019	\$2,065.00	\$257.35		
May 1, 2019	\$2,110.00	\$302.35		
June 1, 2019	\$2,020.00	\$212.35		
July 1, 2019	\$1,995.00	\$187.35		
August 1, 2019	\$1,995.00	\$187.35		
September 1, 2019	\$1,807.65	\$-1.65		
October 1, 2019	\$1,806.00	\$0.00		
November 1, 2019	\$1,807.65	\$0.00		
	 -	Total: \$1,692.15		

Overpayment Calculation:

Lump Sum Credit Option	
December 1, 2019	\$1,692.15

Six Month Credit Option		
December 1, 2019	\$282.03	
January 1, 2020	\$282.03	
February 1, 2020	\$282.03	
March 1, 2020	\$282.02	
April 1, 2020	\$282.02	
May 1, 2020	\$282.02	

Proof of Service/Notice of Hearing

The Petitioner, Kym Wilson, returned the Proof of Service to DCBA on September 6, 2019. DCBA sent the Notice of Hearing on October 21, 2019.

Public Comments

N/A

Fees/Deposits

N/A

Landlord Contact

On September 16, 2019 DCBA contacted the Landlord Respondent (Respondent) to counsel them on their rights under Ordinance No. 2018-0045. DCBA was unable to speak with the Respondent, but left a voicemail.

On September 17, 2019, DCBA counseled the Respondent on their rights under Ordinance No. 2018-0045. The Respondent reported they were aware of the IRSO, but increased rent at the unit due to additional occupants in the unit and to cover increasing operational expenses. The Respondent had been previously counseled by DCBA and the Hearing Officer regarding the ordinance and the option to increase rent by filing a Petition for Relief from Moratorium. The Respondent requested that all information discussed regarding his rights and responsibilities under the IRSO be sent to him via mail and stated that he would follow up accordingly.

DCBA contacted the Respondent to follow-up and provide additional counseling on:

- October 21, 2019
- October 22, 2019
- October 24, 2019
- October 28, 2019

Supporting Documents RSQ19-10995

DCBA was unable to reach the Respondent during these attempts but voicemails were left each time.

Staff Recommendation

The following recommendation is made prior to the public hearing and is subject to change based upon testimony and/or documentary evidence presented at the public hearing:

Staff recommends APPROVAL of the Interim Rent Stabilization Ordinance Petition for Noncompliance – Case Number RSQ19-10995.

SUGGESTED STATEMENT

I, THE HEARING OFFICER, CLOSE THE PUBLIC HEARING AND FIND THAT THE INTERIM RENT STABILIZATION ORDINANCE PETITION FOR NONCOMPLIANCE – CASE NUMBER RSQ19-10995 IS **APPROVED**, SUBJECT TO THE ATTACHED CONDITIONS.

Suggested Approval Statement

Prepared by Shannon Louis Reviewed by Dana Pratt

Attachments

Initials JMN:DP: sl (10/28/19)

BURDEN OF PROOF STATEMENT

ection III: Reason for Petition	n (explain in detail why you are requesting a hearing)
	n crease. Exceeds 3%
Current Rent	Proposed Rent (If known):
a A 1 a S a (d)	
HAVE YOU RECEIVED OR ISSUED	A NOTICE OF RENT INCREASE IN EXCESS OF THE ALLOWABLE LIMIT?
AYes No	
IS THIS MATTER URGENT?	
AYes No	
J2(165 □ 140	
REASON FOR URGENCY (must att	tach relevant documents in order to be considered):
1 Havo Cancel Cun	d Increase is Not affordable
7/20 (47)	
711.00	
Section IV: Respondent Info	ormation
•	
Poonandant Tuno:	District C Mahilahara Harrana (a) C Mahilahara Dad O
respondent type: Tenant(s)	□ Mobilehome Homeowner(s) □ Mobilehome Park Owner
Ellie Anderson	
Respondent Name/Organization petition below)	(Please list the names of each Tenant or Mobilehome Homeowner who received a copy of this
Land Lord	
	ord. Mobilehome Homeowner or Mobilehome Park Owner)